



Poland Daily

HEADLINES...

POL: In August construction output was 2.7% up y/y and decline by 2.1% m/m. Buildings construction was 5.9% up y/y, infrastructure construction was 7.7% up y/y while specialized works declined by 10.3% y/y. Infrastructure investments support activity in construction but signals of weakening of investment cycle are visible.

POL: In August money supply M3 rose by 0.6% m/m and increased by 9.9% y/y. Loans to households grew by 6.8% y.y to PLN761.2bn and loans to enterprises rose by 5.2% y/y to PLN371.1bn in August.

POL: According to the recent survey, ruling Law and Justice enjoys 44.5% support (what would translate on 260 seats in Sejm), Civic Coalition (KO) would get 23.9% of the vote (130 seats), Left 14.3% of the vote (60 seats) and Peasant Party (PSL) would get 6% of the vote (8 seats). It means that PiS is likely to rule for the second term in a row, easily forming majority government but will be far away from obtaining 2/3 constitutional majority.

THE DAY AHEAD...

POL: Unemployment rate (Aug),

DEU: IFO (Sep)

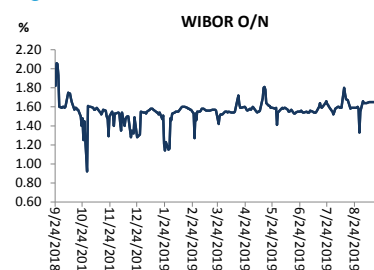
HUIN: NBH decision

USA: Consumer confidence (Sep), House Price Index (Jul)

TODAY'S FOCUS:

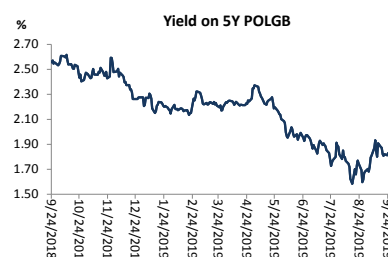
Today economic calendar contains unemployment rate from Poland for August, IFO index from Germany for September and US consumer confidence for September.

Figure 1: WIBOR O/N



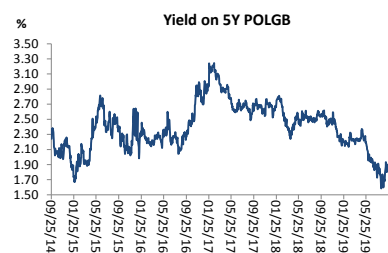
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	8:00	IFO index (Sep)	94.5	94.6	94.5
POL	8:00	Unemployment rate (Aug)	5.2%	5.2%	5.2%
HUN	12:00	NBH decision (Sep)	0.90%		0.90%
USA	13:00	House Price Index (Jul)			0.3%
USA	14:00	Consumer confidence(Sep)	132.0		133.0

Source: Deutsche Bank Estimates and Bloomberg Finance LP



Foreign Exchange

Today in the morning the zloty was 0.2% firmer versus the USD and was 0.1% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.3700-4.4050 per EUR today.

The GBP weakened by 0.1% versus the USD on rising risk of no-deal Brexit.

Fixed Income

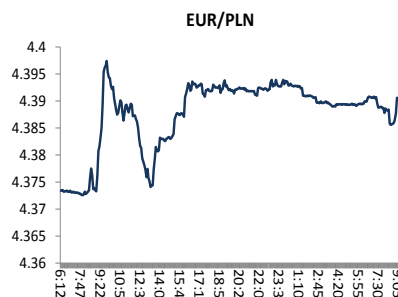
The yields on Poland's government bonds rose by 1-2bps in 2-2-year and 5-year sectors and was unchanged in the long end of the curve.

Interest Rates

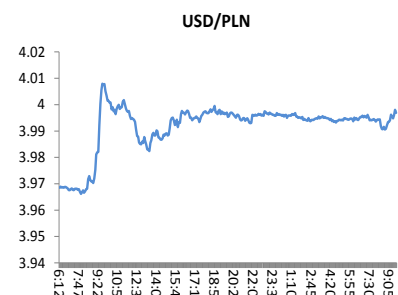
Today the O/N bid rate should be within a range of 1.20%-1.35%.

Equities

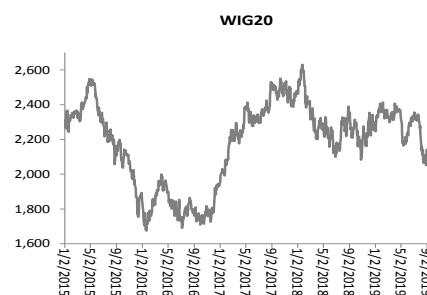
Yesterday the Dow Jones index closed 0.06% up and the S&P 500 index was 0.1% up. Today in the morning the FTSE 100 index was 0.24% up, the CAC 40 index was 0.23% up and the DAX index was 0.10% up. Today the Nikkei index closed 0.09% up. Today in the morning the WIG20 index was 0.47% up and the WIG index was 0.40% down.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 24 September 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.9917	3.9983	-0.2%	SPOT	3.9910	3.9924	SPOT	4.3856	4.3871
EUR/PLN	4.3864	4.3891	-0.1%	S/N	3.9914	3.9928	S/N	4.3860	4.3875
GBP/PLN	4.9572	4.9721	-0.3%	1W	3.9914	3.9928	1W	4.3860	4.3875
CHF/PLN	4.0271	4.0399	-0.3%	1M	3.9914	3.9928	1M	4.3860	4.3875
SEK/PLN	0.4099	0.4098	0.0%	2M	3.9914	3.9928	2M	4.3860	4.3875
NOK/PLN	0.4415	0.4394	0.5%	3M	3.9914	3.9928	3M	4.3860	4.3875
DKK/PLN	0.5875	0.5878	-0.1%	6M	3.9914	3.9928	6M	4.3860	4.3875
CAD/PLN	3.0106	3.0067	0.1%	12M	3.9914	3.9928	12M	4.3860	4.3875
CZK/PLN	0.1695	0.1695	0.0%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.0989	1.0977	0.1%	O/N	1.63 %	bp			
USD/JPY	107.60	107.36	0.2%	1W	1.59 %	bp			
GBP/USD	1.2419	1.2436	-0.1%	1M	1.63 %	bp	1M		
USD/CHF	0.9912	0.9897	0.1%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	118.24	117.85	0.3%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8848	0.8827	0.2%	9M	1.80 %	bp	9M	%	bp
USD/CAD	1.3260	1.3298	-0.3%	12M	1.84 %	bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.65	1X7	1.79	2Y	1.73 %	bp	2Y	1.47 %	1 bp
2X3	1.64	3X9	1.79	5Y	1.69 %	bp	5Y	1.85 %	2 bp
1X4	1.72	6X12	1.76	10Y	1.69 %	bp	10Y	2.05 %	0 bp
3X6	1.71			5Y-2Y	-4 bp	bp			
6X9	1.69			10Y-5Y	1 bp	bp			
9X12	1.65			10Y-2Y	-3 bp	bp			



Appendix 1

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Additional information available upon request

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